

Before the
POSTAL REGULATORY COMMISSION
WASHINGTON< DC 20268-0001

Complaint Regarding Postal Service Offering DOCKET # MC2012-26
ENHANCED SERVICES PRODUCT FOR COMPETITIVE PO BOXES

COMMENTS OF 5 Star Ventures, Inc, dba MAIL IT July 20, 2012

My wife and I are the owners of a small business that is a Commercial Mail Receiving Agency (CMRA) and we have some comments about the United States Postal Service adding additional services for their Post Office Boxes.

While it has been determined that those P.O. boxes are competitive with our Private Mail Boxes (PMB)'s there are still distinct differences that set them apart from our Private Mail Boxes (PMB).

The new USPS service offering of email notification, being offered by the USPS, is a new service. Never before has the USPS provided email notification to their P.O. Box customers. Therefore email notification must be considered as a new service. Email notification by USPS requires additional labor and technology to implement and maintain. The additional labor and technology USPS will utilize to provide this service have an associated cost. For the USPS to claim these costs are included in the base cost of the P.O Box contradicts statements previously made by the USPS that they are already providing these services and that they are bundled into the PO Box rental fee. That email services were available in the past maybe true but USPS has never advertised email service as an available service to their P.O. Box clients and therefore there is a distinct and clear difference between the past and the present. The associated labor costs of this new service offering flies in the face of USPS attempting to reduce its workforce in order to reduce cost, while simultaneously adding services that increase labor costs.

The second new service that is now available is street addressing for private carrier delivery to the PO Box. I have a few objections to this.

1: The USPS claims that some companies will not deliver their products to a PO Box due to a potential or perceived fraud. While at the same time USPS now wants to mask an actual PO Box with a street address. Again USPS statements and actions contradict each other. Therefore USPS is either assisting in deceiving the merchants that they are not shipping goods to a PO Box or the previous position of USPS regarding P.O. Boxes is incorrect. The USPS has promoted the P.O. Box as a safe location to receive mail as well as ship products to. The USPS has prohibited CMRA's from using the trademarked P.O. Box designation in order to differentiate their P.O. Box service from the services offered by CMRA's insinuating that CMRA's are not safe or secure. USPS is going to cause additional harm to my business in the same manner that they are deceiving the merchant. Once it becomes common knowledge that the USPS is using the # sign to mask their PO Boxes, CMRA addressing will be swept up with that same brush

and CMRA's will end up losing customers because of the additional required addressing standards that the USPS has imposed on CMRA's.

2: The acceptance of the packages at the street address causes a conflict with the USPS policy and procedures of getting a signature for accountable, insurable and registered mail products. The expectation and legal right of the mailer is being misused and deceived by the blanket acceptance form the USPS will require for the acceptance of mail at the street address. Is the acceptance of a package at the street address using the release signature "On File" sufficient to maintain the high standards of the Express Mail piece, or the Insured Mail piece with \$ 200 or less of insured value or the mail piece where Signature Confirmation has been applied and additional charges paid for such service. Do these actions not compromise USPS existing standards for the insured mail piece as well as the perceived standards of the sender ? What constitutes actual USPS delivery to the addressee of such mail pieces?

3: Street addressing costs and the logistics involved do not justify a no charge bundling of this service. By the USPS's own admission there is a cost involved in moving those packages from a receiving area to the delivery area. If there is cost then there needs to be postage to cover those costs. While there has been a 25% increase in pricing nothing in the USPS filing shows a breakdown of costs to indicate such costs involved the implementation of these specific new additional services is covered by the increase.

4: The USPS has not shown the detailed costs involved in providing the labor associated with form completion, at the retail counter, the technology and database support necessary or the costs involved in physically storing these street address packages for pickup at the retail counter. Additionally the time spent, at the retail counter, retrieving, handing and accounting for said packages over to the mailbox holder have not been detailed.

Mail Forwarding. This new services will provide mail forwarding for terminated as well as P.O. Box clients desiring to close their P.O. Box via the completion of a Change Of Address (COA) form and USPS forwarding the completed COA form for inclusion in the national database. CMRA's and their clients are not permitted to file a COA. CMRA's are required to accept and forward all mail for a terminated or closed client for a period of six (6) months, applying new postage to each of the mail pieces at the expense of the CMRA or the CMRA client. This practice constitutes an unfair burden on the CMRA as well as the CMRA client and unfair competition by USPS.

Package acceptance from non USPS carriers is another new service offering by USPS. The objections I have with this new service offering are:

1: USPS has not demonstrated their package acceptance system can properly account for these non USPS carrier packages from time of receipt by USPS until actual delivery to the P.O. Box client. CMRA's have been accepting packages from non USPS carriers for their clients for years. There is an associated cost with this service for security, accountability and storage.

2: USPS has not declared what the costs of security and storage and retrieval by USPS window clerks will be for this service.

3: It is my belief that many companies will block and refuse to send non USPS carrier packages to P.O. Box Street addresses due to problems the companies will encounter with either non acceptance by the USPS or non receipt by the P.O. Box client and no actual USPS accountability system of any value. These non USPS carrier packages will be returned, at the expense of the sender, creating additional cost of doing business by the senders.

4: Many CMRA's currently receive local courier deliveries addressed to our clients. Will the USPS also accept local courier delivery to a P.O. Box street address without postage being paid? If so how does USPS justify the costs and accountability of providing such services?

Competition and Regulations. CMRA's are often partnered with USPS via the USPS Approved Shipper program and reselling USPS products. Thereby reducing the operating costs and increasing revenues of USPS. The CMRA's have built their businesses by providing convenience and services that no one else, including USPS, has wanted to provide because of accountability, security and costs associated with providing those services.

Providing acceptance of USPS services at CMRA locations requires strict adherence by the CMRA to the USPS Domestic Mail Manual Rules and Regulations and have required CMRA's to tap dance thru these Rules and Regulations which are not clear, often in-direct, sometimes contradictory and more often interpreted differentially from one post master to another. Requests for official interpretations and requests for changes in the CMRA regulations basically fall upon deaf ears. Now USPS comes before the Postal Rate Commission seeking approval of new services, they have illegally advertised and offered months ago, in direct competition to the services the CMRA's have built their convenience and service business on. While at the same time USPS proposes the 5 day delivery plan which presently excludes delivery on Saturdays to CMRA's and thereby increases the unfair competitive edge of USPS over the regulated CMRA's.

Additionally, Item by item, the USPS seeks to destroy the businesses of the CMRA's who have worked hard to provide convenience type services to their clients that USPS has, until recently, largely ignored and has declined to provide due to lack of profitability and cost associated with doing so.

In conclusion email notification, street addressing and acceptance of non USPS carrier packages as premium services do not appear to be what the public wants. It appears that within the first six (6) months of this program the USPS lost approximately 66,000 mailbox customers either canceling or not renewing their P.O. Boxes. These figures raise the question as to what the PO Box customer really wants. It appears the PO Box client wants an inexpensive location to receive mail and generally know what time their mail will be placed in their P.O. Box. These new and additional services are adding costs to people and businesses who are value purchasers rather than convenience and service customers. For all the reasons I have outlined I feel that these services are not benefiting the USPS and in fact have the chance of further damaging the high standards that the USPS operates under. Direct Competition by those, in this case, USPS, that also regulate your business is unfair and often devastating to the CMRA business to the detriment of the convenience and service minded clients that the CMRA caters to.

Thank you for your consideration on this matter.

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